

Contract Negotiations
St. Joe, MO
Silgan Containers Corp. and Sheet Metal Workers Local No. 2

Last Best and Final Economic Proposal #4
(May 3, 2012)

Fully Recommended by Union Committee to:

5-3-12
9:19 pm
TA 9:21 pm

Non Economic proposals-All Tentative Non Economic Agreements (TA's) are included in this offer.

Company Economic

- **Term of Agreement**

May 7, 2012 through May 8, 2016

- **Wages**

Effective May 7/2012 a signing bonus of \$800

Effective May 6/2013 2.5% across the board wage increase

Effective May 5/2014 2.75% across the board wage increase

Effective May 4/2015 2.95% across the board wage increase

New Hire proposal is withdrawn

- **Health & Welfare**

Section 24.1 All employees with 90+ days of service, as of May 8, 2012, will be insured under MO-KAN Plan A. The company will pay the MO-KAN fund for each bargaining unit employee:

Effective June 1, 2012 a premium of \$5.71 per hour for 172 hours

Effective July 1, 2012 a premium of \$6.06 per hour for 172 hours

Effective July 1, 2013 and for the duration of this contract a premium of \$5.71 per hour for 172 hours.

MO-KAN Plan A.

Any future increases to the MO-KAN premium from May 7, 2012 will be paid for by the employee for the duration of this agreement. These employees must complete necessary insurance application forms and agree to continue their employee contribution.

Employees will be advised by the Administrator of MO-KAN of any plan design option changes and their effect on the cost of the plan, such options presented would be those approved by the Trustees of the plan. Such options would be presented to participants and voted on at a Special Order of Business meeting.

Short Term Disability & Life Insurance

Silgan will supply or supplement Life Insurance and Short Term Disability plans to ensure each employee has a total of \$25,000 of Life Insurance and weekly disability pay coverage equivalent to 50% of an employee's base rate time 40 hours for the duration of the agreement.

- **Production Unit Retirement Plan (Article 36)**

Production Unit 401(k) Retirement Plan (Article 36)

Covered employees will be made eligible to participate in the Sheet Metal Workers International Association Local #2 401(k) Plan. The exact nature of the transfer of participants and assets of the existing Retirement Plan into the 401(k) Plan will be determined after representatives of the 401(k) Plan review Retirement Plan records and perform necessary due diligence in connection with any such

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transfer. However, the Retirement Plan would cease to exist as a separate entity and the assets will be transferred to the 401(k) as individual accounts to benefit the participants. This transfer will take place within 18 months upon ratification of a new agreement.

Eligibility

All current participants would be eligible to participate in the Sheet Metal 401(k) Plan when an account is established in their name containing their current account balance as of the date of the transfer plus any new contributions.

New employees will be eligible and shall automatically be enrolled in the 401(k) Plan in accordance with the rules of that Plan.

Eligible employees shall receive an automatic Two Dollars (\$2.00) contribution to their account for each hour worked after becoming eligible. Employees may also voluntarily contribute to the Plan in increments of Fifty Cents (\$.50) per hour worked up to the maximum allowed by law.

Conversion Costs

All administrative costs associated with the merger and/or transfer of assets from the Retirement Fund to the 401(k) Plan shall be paid by the company up to a maximum of \$10,000.